

VZCZCXR08073
OO RUEHCN RUEHGH RUEHVC
DE RUEHGZ #0742/01 1790850
ZNR UUUUU ZZH
O 280850Z JUN 07
FM AMCONSUL GUANGZHOU
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6205
INFO RUEHOO/CHINA POSTS COLLECTIVE
RUCPDOC/USDOC WASHDC
RUEHRC/USDA FAS WASHDC 0964
RUEAIIA/CIA WASHDC
RUEKJCS/DIA WASHDC
RHHMUNA/HQ USPACOM HONOLULU HI

UNCLAS SECTION 01 OF 02 GUANGZHOU 000742

SIPDIS

STATE FOR EAP/CM AND DRL
USDA FOR FAS/ITP AND FAS/FAA
USDOC FOR 4420/ITA/MAC/MCQUEEN
USPACOM FOR FPA

SENSITIVE
SIPDIS

E.O. 12958: N/A

TAGS: PHUM PGOV SOCI ECON EINV CH

SUBJECT: Anatomy of a Demonstration: Xiamen Middle Class Organizes Against Planned Chemical Factory

REF: Guangzhou 620

(U) This document is sensitive but unclassified. Please protect accordingly.

¶1. (SBU) SUMMARY: Among the thousands of people who demonstrated against a planned petrochemical project in Xiamen on June 1-2, most were young and middle-class and organized themselves through cell phone text messages, according to Xiamen residents. A disgruntled anti-corruption official reportedly helped plan the demonstrations and a real-estate developer reportedly paid people to participate. Participants condemned the Xiamen Party Secretary by name for ignoring public concerns. At least one person told us that the project investor is trying to get out of the contract and is negotiating for compensation for any potential losses he might encounter. END SUMMARY

¶2. (SBU) During a June 20 visit to Xiamen, Congenoff spoke with a lawyer, a journalist, and cab drivers, all of whom witnessed the demonstrations opposing a large paraxylene (PX) factory planned for a location near Xiamen's city center. The Xiamen government, in an apparent effort to stem the protests, announced the suspension (but not cancellation) of the project on May 30; however, the demonstrations went forward on Friday, June 1 and Saturday, June 2. (Another Congenoff who happened to be in Xiamen on July 2 witnessed a demonstration on a pedestrian shopping street.) According to the mainland media, police detained 12 people during a confrontation outside the city government compound. On June 3, Xiamen police announced they would take action against the instigators of the "illegal" demonstration, accusing them of having motives other than environmental protection.

Young, Middle-Class, and Enjoying Themselves

¶3. (SBU) The lawyer and the journalist said most of the protestors were in their 20s and 30s and middle-class. They estimated that approximately 20,000 people participated in the June 1 demonstration (an online source put the number at several thousand). Both of them were surprised at the size of the turnout, since it was a weekday and also International Children's Day, when many people bring their children to the office or are on leave. Some of the demonstrators did not live in Xiamen, but owned property there. The contacts said the demonstrators marched peacefully to the municipal government compound. The Congenoff who was in Xiamen on June 2 said the protestors were holding signs, calling out to onlookers, and generally having fun - in contrast to several nervous police

officers who stood nearby. Many of the protestors were filming the event on their cameras and cell phones.

Organized by Text Message, with Help from a Disgruntled Official and a Property Developer

¶ 14. (SBU) The lawyer said no one requested approval from the city government for the demonstrations - and police would not have not have given it if they had. After the police had blocked e-mail messages promoting the demonstration, people used cell phone text messages to communicate. The lawyer said the author of the first text message was a deputy director in Siming District's anti-corruption office. The official, a woman in her 50s, supposedly held a grudge against her superiors for being passed over for promotion. The lawyer said the deputy director was detained before the demonstrations occurred.

¶ 15. (SBU) A cab driver told Congenoff that some demonstrators were paid by a real estate developer who has a high-end residential project called "The Coast of the Future" located near the planned site of the PX factory. The price of the developer's property had reportedly fallen RMB 1,000 (USD 140) per square meter because of the negative publicity about the PX project. Our other contacts thought it was likely the developer was involved but said any money he distributed was probably a minor impetus for the demonstration.

Demonstrators Criticize Party Secretary

¶ 16. (SBU) The contacts said demonstrators began the day chanting slogans against the PX project. During the afternoon, however, they began chanting "Down with He Lifeng" (Xiamen Party Secretary since

GUANGZHOU 00000742 002 OF 002

2006) and criticized him for ignoring public concerns. The journalist agreed with the criticisms, saying that Mr. He has been unwilling to share details of the project with the public. All of the contacts accused Mr. He of being motivated more by the significant economic growth promised by the project - it would reportedly almost double Xiamen's annual GDP - than people's health and safety.

Comment

¶ 17. (SBU) Xiamen officials seemed to have mistakenly assumed that by announcing that the project was postponed they could avert the demonstrations. Though they effectively blocked email exchanges, the protestors communicated freely by text message. The lawyer said he believed the investor of the PX plant is considering scrapping the project and is negotiating with the Xiamen Government for compensation. Our contacts all believe that, had the public demonstrations not been organized, the chemical project would have gone forward as planned.

GOLDBERG